

Message Text

LIMITED OFFICIAL USE

PAGE 01 ADDIS 12204 090810Z
20
ACTION AF-08

INFO OCT-01 ISO-00 EB-07 /016 W
----- 055014
R 090529Z DEC 76
FM AMEMBASSY ADDIS ABABA
TO USDOC WASHDC
SECSTATE WASHDC 1957
INFO AMEMBASSY ROME
SECDEF WASHDC/DSAA/ISA-SA

LIMITED OFFICIAL USE ADDIS ABABA 12204

DEPT FOR AF/I

COMMERCE FOR RANDY MYERS BIC

ROME FOR RCAA

E.O. 11652: N/A
TAGS: BEXP, EAIR, ET
SUBJ: ETHIOPIAN AIRLINES' INTEREST IN PURCHASING L-100 AIRCRAFT

REF: A. ADDIS ABABA 6262, B. ADDIS ABABA 7782 AND PREVIOUS

1. RICKI ABI-ALI, ETHIOPIAN AIRLINES (EAL) PROJECT ENGINEER, INFORMED
EMBOFF THAT EAL AND ETHIOPIAN AIR FORCE (EAF) HAVE DECIDED NOT, RPT
NOT, TO PUCHASE LOCKHEED L-100 AIRCRAFT. ETHIOPIANS HAVE BEEN UNABLE
TO LOCATE SUITABLE USED AIRCRAFT EITHER IN THE US OR ELSEWHERE AND THUS

THE ONLY OPTION WAS TO BUY NEW AIRCRAFT FROM LOCKHEED. THIS ALTERNATIVE

RECEIVED SERIOUS CONSIDERATION FROM ETHIOPIANS OVER THE PAST SEVERAL
MONTHS. LOCKHEED REP VISITED ETHIOPIA AND EXTENDED TELEX NEGOTIATIONS
TOOK PLACE. HOWEVER, EAL INFORMED LOCKHEED OF DECISION NOT TO BUY LAST

WEEK AND LOCKHEED HAS RESPONDED EXPRESSING REGRET AT THE DECISION.

2. ACCORDING TO ABI-ALI, THERE WERE THREE FACTORS BEHIND THE
DECISION NOT TO PROCEED WITH THE PURCHASE OF THE AIRCRAFT: FIRST,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ADDIS 12204 090810Z

EAL'S MARKETING AND TECHNICAL STUDIES SHOWED THAT THE L-100 AS A

COMMERCIAL CARGO AIRCRAFT IN ETHIOPIA WOULD BE MUCH MORE EXPENSIVE TO OPERATE THAN ALTERNATIVE AIRCRAFT. SECONDLY, THE COST OF THE AIRCRAFT HAD ESCALATED TO THE POINT WHERE EVEN AFTER LOCKHEED HAD AGREED TO PROVIDE TRAINING FREE OF CHARGE, THE TOTAL BILL FOR TWO NEW AIRCRAFT WOULD BE US\$ 25.5 MILLION. THE ETHIOPIANS HAD ORIGINALLY BUDGETED US\$ 22 MILLION FOR THREE USED AIRCRAFT AND WERE EXTREMELY RELUCTANT TO GO ABOVE THAT AMOUNT. FINALLY, THE TWO ETHIOPIAN PARTNERS,

EAL AND EAF, NEVER RESOLVED THEIR DIFFERENCES AS TO THE BEST MODEL AND

EVEN WITHIN THE AIR FORCE WERE DIFFERENCES OF OPINION REGARDING THE SUITABILITY OF THE L-100 AND THE VALUE OF THE PROJECT IN GENERAL.
TIENKEN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT PROCUREMENT, AIRCRAFT SALES, TRANSPORT AIRCRAFT
Control Number: n/a
Copy: SINGLE
Draft Date: 09 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: vogelfj
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ADDIS12204
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760454-1296
From: ADDIS ABABA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761256/aaaabwdm.tel
Line Count: 74
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 ADDIS ABABA 6262, 76 ADDIS ABABA 7782
Review Action: RELEASED, APPROVED
Review Authority: vogelfj
Review Comment: n/a
Review Content Flags:
Review Date: 12 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 MAY 2004 by BoyleJA>; APPROVED <09 SEP 2004 by vogelfj>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ETHIOPIAN AIRLINES' INTEREST IN PURCHASING L-100 AIRCRAFT
TAGS: BEXP, EAIR, ET, US
To: COM STÁTE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006